

NIH POLICY MANUAL
54802 EXTENSION OF PROJECT PERIOD
ISSUING OFFICE: OPERA/OER 435-0949
Release Date: 05/22/00

1. Explanation of Material Transmitted: This revised chapter updates the NIH policies and procedures for implementing noncompetitive extension of project periods with or without additional funds.

2. Filing Instructions:

Remove: NIH Manual 4802 dated 04/15/86 in its entirety

Insert: NIH Manual 4802 dated 05/22/00

3. Distribution: NIH Manual Mailing Keys F-401 and F-406 (transmittal sheet only):
Chapter text is available on-line. See the last bullet on this page for on-line information.

PLEASE NOTE: For information on:

- content of this chapter, contact the issuing office listed above.
- On-line information, enter this URL: <http://www3.od.nih.gov/oma/manualchapters/>

EXTENSION OF PROJECT PERIOD

A. PURPOSE

This chapter sets forth the NIH policies and procedures regarding the noncompetitive extension of project periods with or without additional funds.

B. APPLICABILITY

This issuance is applicable to all NIH nonconstruction financial assistance awards which are made under the project period system of obligating funds.

C. REFERENCES

1. NIH Manual Chapter 4700, Notice of Grant Award
2. NIH Manual Chapter 4809, Duration of Recommended Grant Support
3. 45 CFR Part 74, Section 74.25, Revision of Budget and Program Plans

D. DEFINITIONS

1. Project Period: The total time for which a project is approved for support, including any extensions. The total project period is comprised of the initial competitive segment, subsequent competitive segments(s) resulting from a competing continuation award(s), and noncompeting extensions.
2. Budget Period: The interval of time (usually 12 months) into which the project period is divided for budgetary and funding purposes.

E. POLICY

1. A noncompeting extension may be made to extend the final budget period of a project period, or (in unusual cases) any other budget period where justified. Generally, extensions are granted when additional time beyond the established expiration date is required to assure adequate completion of the originally approved project, to provide continuity of NIH grant support while a competing continuation application is under review, or to permit the orderly phaseout of a project that will not receive continued NIH support (see F.5. for extensions with additional funds).
2. No single extension may exceed 12 months.
3. On November 5, 1990, Public Law 101-510 was enacted to limit the availability and use of prior year funds to the current fiscal year and five subsequent years. To ensure that the grantee

DATE: 05/22/00

REPLACES: 04/15/86

ISSUING OFFICE: OPERA/OER 435-0949

EXTENSION OF PROJECT PERIOD

will not charge costs to a grant award for which funds are no longer available, grants may not be extended for more than four years beyond the fiscal year used to fund the final budget period.

For instance, if the final year was initially awarded in FY94 (budget period = 7/1/94 - 6/30/95), the account would be closed in FY99. Therefore, the grant must not be extended beyond FY99.

While this is technically the law, from an operational point of view, even this could be problematic because of delays inherent in the financial reporting requirement system. Therefore, to accommodate the additional time needed to fulfill the financial reporting, it is recommended that no award be extended for more than three years beyond the fiscal year used to fund the final budget period.

4. When a budget period is extended, a subsequent award will not be made effective until the termination of the extended budget period.

F. PROCEDURES

1. In most instances extensions are initiated by the grantee institution; however, an extension action may also be initiated by the NIH awarding unit (to arrive at a more advantageous anniversary date in terms of workload or for reasons associated with the action of a National Advisory Council or Board).

2. Under the terms and conditions of the Expanded Authorities (EA) and the Federal Demonstration Partnership (FDP), a grantee may extend (without awarding unit prior approval) the final budget period of a project period one time for a period of up to one year beyond the original expiration date shown on the Notice of Grant Award (NGA). An authorized institutional official should submit notification of the no-cost extension (via e-mail or letter) to the appropriate NIH grants management office at least 10 days prior to the expiration date of the project period. The notification will serve as the authorizing document from which the NIH awarding Institute/Center (I/C) will administratively process the extension to reflect the change in internal NIH systems and the Payment Management System. An acknowledgment that the no-cost extension has been processed will be sent by the awarding I/C to the grantee organization's administrative official. In extending the final budget period of the grant through this process, the grantee agrees to update all required certifications, including human subjects and animal welfare, in accordance with applicable regulations and policies. Grantees may not use these procedures to extend project periods previously extended by the awarding unit.

3. No-cost extensions requiring NIH awarding I/C prior approval (e.g., additional extensions beyond the initial 12 month extension, grants and cooperative agreements not subject to the terms and conditions of the EA or the FDP) will be processed through revised NGAs. These requests may be submitted electronically in accordance with the NIH Guide: Process for E-mail Submissions of Prior Approvals for NIH Grants and Cooperative Agreements, January 6, 2000.

DATE: 05/22/00

REPLACES: 04/15/86

ISSUING OFFICE: OPERA/OER 435-0949

EXTENSION OF PROJECT PERIOD

Prior approval requests submitted by letter must bear the signature of an authorized institutional official as well as the principal investigator or program director. A request must state the reason for an extension and the additional time needed. (In some cases (e.g., when a significant amount of funds appear to remain unexpended), it may be appropriate for the I/C to request that the grantee provide the amount of funds available for expenditure and to explain how the remaining funds will be spent.) In these cases, requests for noncompeting extensions should be submitted at least 30 days prior to the expiration date of the project period.

Although requests should be submitted at least 30 days prior to the expiration of the project period, on rare occasions, requests are submitted after the termination date. In these situations, it is within the I/Cs purview to approve the extension retroactively. Retroactive approval should be dependent on adequate justification and an assurance from the institution that internal controls are in place to preclude similar situations from occurring.

4. In extenuating circumstances, such as those caused by the actions of Councils/Boards, extensions may be initiated by the awarding unit after the expiration date of the project period. However, awarding unit staff is encouraged to anticipate these situations in advance, so that extensions after the expiration date of a project period are kept to an absolute minimum. In any event, such extensions must be processed no later than 30 days following the relevant Council/Board action.

5. The grantee institution may seek an extension with additional funds for an extended period. Funds may be provided in order to maintain continuity for a limited time or to permit orderly phaseout without an expansion of scope. Additional funding may be approved by administrative action of the designated Grants Management Officer and awarded without competition. (NIH awarding I/Cs may establish specific guidelines regarding the amount and nature of such awards. However, an I/C's Council-delegated authorities may limit the additional amount that can be awarded.) In no case may funds exceed the current funding level. When additional funds are to be awarded, a countersigned letter from the principal investigator and an authorized institutional official must be obtained. Grantees may submit this request electronically in accordance with the NIH Guide: Process for E-mail Submissions of Prior Approvals for NIH Grants and Cooperative Agreements, January 6, 2000 .

6. An extension may not be granted after the receipt of a Financial Status Report (FSR) until I/C staff contacts OFM to request the cancellation of the FSR. I/C staff should also inform the grantee of the cancellation of the FSR due to the extension of the reporting period.

G. RECORDS RETENTION AND DISPOSAL

All records (e-mail and non-e-mail) pertaining to this chapter must be retained and disposed of under the authority of NIH Manual 1743, "Keeping and Destroying Records, Appendix 1, NIH Records Control Schedule," Item 4000 covers NIH grants and awards and item 1100-G covers

DATE: 05/22/00

REPLACES: 04/15/86

ISSUING OFFICE: OPERA/OER 435-0949

EXTENSION OF PROJECT PERIOD

Advisory Councils and Committee Management. Refer to the NIH Chapter for specific disposition instructions.

NIH e-mail messages: NIH e-mail messages (messages including attachments, that are created on NIH computer systems or transmitted over NIH networks) that are evidence of the activities of the agency or have informational value are considered Federal records. These records must be maintained in accordance with current NIH Records Management guidelines. If necessary, back-up file capability should be created for this purpose. Contact your I/C Records Officer for additional information.

All e-mail messages are considered Government property, and, if requested for a legitimate Government purpose, must be provided to the requester. Employees' supervisors, NIH staff conducting official reviews or investigations, and the Office of Inspector General may request access to or copies of the e-mail messages. E-mail messages must also be provided to members of Congress or Congressional oversight committees if requested and are subject to Freedom of Information Act requests. Since most e-mail systems have back-up files that are retained for significant periods of time, e-mail messages and attachments are likely to be retrievable from a back-up file after they have been deleted from an individual's computer. The back-up files are subject to the same requests as the original messages.

H. MANAGEMENT CONTROLS

The purpose of this manual issuance is to state NIH policies and procedures for extending the project period of grants. Responsibility for accountability and management controls for this chapter reside with the Division of Grants Policy (DGP), Office of Policy for Extramural Research Administration (OPERA), Office of Extramural Research (OER). The frequency of review will occur on an as needed basis or on an ad hoc basis. The Method of Review will be Other Review.

DGP, working with the NIH Grants Management Advisory Committee (GMAC), is developing an NIH internal grants management compliance model (GMCM). Part of the GMCM will contain a file review component to ensure that I/C grant files are properly maintained and processed. Reports of findings and recommendations resulting from GMCM reviews or other similar types of reviews will be issued to I/Cs for appropriate action. Common issues will be brought to the GMAC for resolution and corrective action. Depending upon the nature and the extent of problems found, if any, the Director, OPERA may recommend additional policy guidance or training for grants management staff.

Review Reports are sent to: DDER and DDM